

February 4, 2025

The Honorable Brenda Dietrich, Chairperson
Senate Committee on Financial Institutions and Insurance
300 SW 10th Avenue, Room 546-S
Topeka, Kansas 66612

Dear Senator Dietrich:

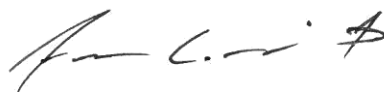
SUBJECT: Fiscal Note for SB 55 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 55 is respectfully submitted to your committee.

SB 55 would define 'assignment agreement' as any instrument in which post-loss benefits under a residential or commercial property insurance policy are assigned, transferred or acquired in any other manner, in whole or in part, to or from a person providing services, including, but not limited to, inspecting, protecting, repairing, restoring or replacing the property or mitigating against further damage to the property. A person would not be allowed to solicit or accept an assignment, in whole or in part, of any post-loss insurance benefit under a residential or commercial property insurance policy and a violation of would be considered an unfair method of competition and unfair or deceptive act or practice. An assignment agreement would be considered against public policy and would be null and void. An assignment agreement would not apply to an assignment, transfer, pledge or conveyance granted to a federally insured financial institution, mortgagee or subsequent purchaser of the property or liability coverage under a residential or commercial property insurance policy.

The Kansas Department of Insurance states that the bill would not have a fiscal effect on agency operations.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Kyle Strathman, Insurance Department